

Instructions for Form 540 2EZ

CalFile – California's free, fast, easy, and secure e-file option.

Things you need to know before you complete Form 540 2EZ

Determine if you qualify to use Form 540 2EZ. See the table on page 4.

Specific Line Instructions

These instructions are based on the Internal Revenue Code (IRC) as of January 1, 2005, and the California Revenue and Taxation Code (R&TC).

Name and Address – Print your name, middle initial, last name, and address in the spaces provided.

Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN) – Enter your SSN or ITIN in the spaces provided. If you file a joint return, enter the SSN or ITIN in the same order as the names.

An ITIN is a tax processing number issued by the IRS to foreign nationals and others who have a federal tax filing requirement and do not qualify for an SSN. The ITIN is a nine-digit number that always starts with the number 9.

Line 1 through Line 5 – Filing Status

Fill in the circle on Form 540 2EZ for the filing status that applies to you.

If your California filing status is different from your federal filing status, fill-in the circle under line 5.

Filing Status Checklist

Choose only one filing status. Your filing status for California must be the same as the filing status you used on your federal income tax return.

Exception:

Same-sex married individuals or registered domestic partners (RDP) who file single for federal must file married/RDP filing jointly or married/RDP filing separately for California. If you are a same sex married individual or RDP and file head of household for federal, you may file head of household for California only if you meet the requirements to be considered unmarried or considered not in a registered domestic partnership.

Married taxpayers who file a joint federal income tax return may file separate California returns if either spouse was:

- An active member of the U.S. Armed Forces (or any auxiliary military branch) during 2009.
- A nonresident for the entire year and had no income from California sources during 2009.

You cannot use Form 540 2EZ if:

- You file a joint return and either spouse/RDP was a nonresident in 2009. Use Long or Short Form 540NR, California Nonresident or Part-Year Resident Income Tax Return. These forms are available online at ftb.ca.gov or file online using **e-file**.
- You are married/RDP and file a separate return. Get Forms 540/540A online at ftb.ca.gov or file online through **CalFile** or **e-file**.
- You have income from a source outside of California.
- You have income from a source not listed on this form.

Single

You are single if any of the following was true on December 31, 2009:

- You were not married or in an RDP.
- You received a final decree of divorce or legal separation, or your RDP was terminated.
- You were widowed before January 1, 2009, and did not remarry or enter into another RDP in 2009 (see Qualifying Widow[er]).

Married/RDP Filing Jointly

You may file married/RDP filing jointly if any of the following is true:

- You were married/RDP as of December 31, 2009, even if you did not live with your spouse/RDP at the end of 2009.
- Your spouse/RDP died in 2009 and you did not remarry or enter into another RDP in 2009.
- Your spouse/RDP died in 2010 before the 2009 return was filed.

A married couple or RDPs may file a joint return even if only one had income or if they did not live together all year. However, both must sign the return.

Head of Household

For the specific requirements that must be met to qualify for head of household filing status, get FTB Pub. 1540, California Head of Household Filing Status Information. In general, head of household filing status is for unmarried individuals and certain married individuals or RDPs living apart who provide a home for a specified relative. You may be entitled to use head of household filing status if all of the following apply:

- You were unmarried and not in an RDP, or you met the requirements to be considered unmarried or considered not in an RDP on December 31, 2009.
- You paid more than one-half the cost of keeping up your home for the year in 2009.
- For more than half the year, your home was the main home for you and one of the specified relatives who by law can qualify you for head of household filing status.
- The relative who lived with you met the requirements to be a qualifying child or qualifying relative.
- You were not a nonresident alien at any time during the year.

For a child to qualify as your foster child for head of household purposes, the child must be placed with you by an authorized placement agency or by order of a court.

The FTB has a self test, which will help you determine your filing status. Go to ftb.ca.gov and search for **self test**.

Qualifying Widow(er)

You are a qualifying widow(er) if ALL of the following apply:

- Your spouse/RDP died in 2007 or 2008, and you did not remarry or enter into another RDP in 2009.
- You have a birth child, adopted child, stepchild, or eligible foster child for whom you can claim a dependent exemption credit.
- This child lived in your home for all of 2009. Temporary absences, such as for school, vacation, or medical care, count as time lived in the home.
- You paid over half the cost of keeping up your home for this child.
- You could have filed a joint return with your spouse/RDP the year he or she died, even if you actually did not do so.

Enter the year of your spouse's/RDP's death on your return.

Line 6 – Can you be claimed as a dependent?

If someone else can claim you (or your spouse/RDP) as a dependent on his or her tax return, even if he or she chooses not to, then answer the following questions:

1. Is your total income, including wages*, interest, dividend, pension, and capital gains from mutual funds income less than or equal to:

Single	\$11,187
Married/RDP filing jointly or Qualifying widow(er)	\$22,324
Head of Household	\$15,124

2. Do you have a dependent?

If the answer to question 1 or question 2 is **Yes, Stop**. You cannot use Form 540 2EZ because you will not be able to figure the correct amount of tax using the California 2EZ Tables. Get Forms 540/540A online at ftb.ca.gov or file online through **CalFile** or **e-file**.

If the answer to question 1 and question 2 is **No**, fill in the circle on line 6 and follow the instructions on line 17.

***Note:** You cannot use Form 540 2EZ if your total wages are less than the following amounts based on your filing status:

Single \$3,337
Married/RDP filing jointly, head of household, or qualifying widow(er) . . . \$6,974

Line 7 – Seniors

If your (or if married/RDP, your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2.

If your (or if married/RDP, your spouse's/RDP's) 65th birthday is January 1, 2010, you/they are considered to be age 65 on December 31, 2009.

Line 8 – Dependents

Enter the names and relationships of the dependents you are allowed to claim. If you claim more than 3 dependents get Forms 540/540A online at ftb.ca.gov or file online through **CalFile** or **e-file**.

Do you have Child and Dependent Care Expenses? The easiest way to claim the credit is to **CalFile** or **e-file**. **This credit may not be claimed on Form 540 2EZ.**

Line 9 – Wages

Enter the amount from federal Form W-2, box 16. If you have more than one W-2, add all amounts shown in box 16.

Generally, federal Form W-2 box 1 and box 16 should contain the same amounts. If they are different because you had income from a source outside California, you cannot file Form 540 2EZ. Get Forms 540/540A or Long/Short Form 540NR at ftb.ca.gov or file online through **CalFile** or **e-file**.

Instructions for Form 540 2EZ

FREE e-file at ftb.ca.gov

Line 10 – Total Interest Income

Enter interest income shown on Form 1099-INT, Interest Income box 1.



Do not include amounts shown on Form 1099-INT, box 3, Interest on U.S. Savings Bonds and Treasury Obligations. This interest is not taxed by California.

Line 11 – Total Dividend Income

Generally, the amount of dividend income taxable by California is the same as the amount taxable under federal law. However, there may be federal/state differences in the taxable amount of dividend income, if you received it from any of the following sources:

- Exempt interest dividends from mutual funds.
- Non-cash patronage dividends from farmers' cooperatives or mutual associations.
- Federal exempt interest dividends from other states or their municipal obligations and/or from mutual funds.
- Controlled foreign corporation dividends in the year distributed.
- Regulated investment company (RIC) capital gains in the year distributed.
- Distributions of pre-1987 earnings from an S corporation.

If you have a federal/state difference in the taxable amount of dividend income, you cannot file a Form 540 2EZ. Get Forms 540/540A at ftb.ca.gov or file online through **CalFile** or **e-file**.

Line 12 – Total Pension Income

Generally, the amount of pension income taxable by California is the same as the amount taxable under federal law. However, there may be federal/state differences in the taxable amount of pension income, if you received it from any of the following sources:

- Tier 2 railroad retirement benefits.
- Partially taxable distributions from a pension plan.
- Retirement annuity between July 1, 1986, and January 1, 1987, and elected to use the three-year rule for California purposes and annuity rules for federal purposes.

For information regarding the federal Pension Protection Act of 2006, go to ftb.ca.gov and search for **conformity**. **If you have a federal/state difference in the taxable amount of pension income, you cannot file a Form 540 2EZ.** Get Forms 540/540A at ftb.ca.gov or file online through **CalFile** or **e-file**.

Line 13 – Capital Gain Distributions from Mutual Funds

Generally, the amount of capital gains taxable by California is the same as the amount taxable under federal law. If you received capital gain distributions from a mutual fund, report them on line 13, if both of the following apply:

- You received a Form 1099-DIV with an amount in box 2a.
- The 1099-DIV does not have amounts in box 2b, 2c, or 2d.

If you have other capital gains, you cannot use Form 540 2EZ; use Form 540. Get Form 540 at ftb.ca.gov or file online through **CalFile** or **e-file**.

Line 14 – Unemployment Compensation

Enter unemployment compensation and/or Paid Family Leave Insurance benefits reported on federal Form(s) 1099-G, box 1. These types of income are not taxed by California and should not be included in the total on line 16.

Line 15 – U.S. Social Security or Railroad Retirement Benefits

Enter U.S. social security or Tier 1 and Tier 2 railroad retirement benefits. This type of income is not taxed by California and should not be included in the total on line 16.

Line 17 – Tax

The standard deduction and personal exemption credit are built into the 2EZ Tables and not reported on the tax return.

If you did not fill in the circle on line 6 follow the instructions below.

Use the California 2EZ Table for your filing status to complete line 17. The 2EZ Tables in this booklet give you credit for the standard deduction for your filing status, your personal exemption credit, and dependent exemption credits. There are three different tables. Make sure you use the right one. If your filing status is:

Single	Go to page 15
Married/RDP filing jointly or Qualifying widow(er)	Go to page 27
Head of Household	Go to page 38

If you filled in the circle on line 6, complete the Dependent Tax Worksheet below.

Dependent Tax Worksheet

1. Is the amount on line 16 less than or equal to:
 - \$11,187 if single
 - \$22,324 if married/RDP filing jointly or qualifying widow(er)
 - \$15,124 if head of household, or

2. Do you have a dependent?

If the answer to question 1 or question 2 is:

Yes Stop. You cannot use Form 540 2EZ because you will not be able to figure the correct amount of tax using the 2EZ Tables. Get Forms 540/540A at ftb.ca.gov or file online through **CalFile** or **e-file**.

No If you can be claimed as a dependent by another taxpayer, your personal exemption credit amount is zero. You will need to adjust the tax from the 2EZ Table for this amount as follows:

1. Using the amount from Form 540 2EZ, line 16, and your filing status, enter the tax from the 2EZ Table:

If your filing status is:

- Single, go to page 15.
- Married/RDP filing jointly or Qualifying widow(er), go to page 27.
- Head of household, go to page 38

} 1 _____

2.
 - If single or head of household, enter \$98
 - If married/RDP and both spouses/RDPs can be claimed as a dependent by another taxpayer, enter \$196
 - If married/RDP and only one spouse/RDP can be claimed, enter \$98
 - If qualifying widow(er), enter \$196

} 2 _____

3. Add line 1 and line 2. Enter here and include on Form 540 2EZ, line 17 3 _____

Line 18 – Senior Exemption

If you entered 1 in the box on line 7, enter \$98. If you entered 2 in the box on line 7, enter \$196.

You cannot claim this exemption credit if someone else can claim you as a dependent on their return.

Line 19 – Nonrefundable Renter's Credit

If you were a resident of California and paid rent on property in California which was your principal residence, you may qualify for a credit that you can use to reduce your tax. Answer the questions on page 12 to see if you qualify.

Line 22 – Total Tax Withheld

Enter the amount from federal Form(s) W-2, box 17, or 1099-R, box 10. If you have more than one Form W-2, add all amounts shown in box 17. If you have more than one 1099-R, add all amounts shown in box 10. The Franchise Tax Board (FTB) verifies all withholding claimed from federal Forms W-2 or 1099-R with the Employment Development Department (EDD).

Line 24 – Tax Due

If the amount on line 22 is less than the amount on line 21a, subtract the amount on line 22 from the amount on line 21a. Enter the result on line 24. Your tax is more than your credits and withholdings.

Increasing your withholding could eliminate the need to make a large payment with your tax return. To increase your withholding, complete EDD Form DE 4, Employee's Withholding Allowance Certificate, and give it to your employer's appropriate payroll staff. You can get this form from your employer or by calling the EDD at **888.745.3886**. You can download the DE 4 at www.edd.ca.gov or go to ftb.ca.gov and search for **de 4**. If you did not pay enough through withholding, you may have an underpayment penalty. The FTB will figure the underpayment penalty for you.

Line 25 – Use Tax - This is not a total line

As explained on page 13, California use tax applies to purchases from out of state sellers (for example, purchases made by telephone, over the Internet, by mail, or in person). For questions on whether a purchase is taxable, go to State Board of Equalization's website at boe.ca.gov, or call their Taxpayer Information Section at 800.400.7115 or TTY/TDD 800.735.2929.

Note: The following businesses must continue to report purchases subject to use tax directly to the State Board of Equalization:

Instructions for Form 540 2EZ

CalFile – California's free, fast, easy, and secure e-file option.

- Businesses that have a California seller's permit.
- Businesses that are not required to hold a California seller's permit, but receive at least \$100,000 in gross receipts.

If you are not required to report purchases subject to use tax directly to the State Board of Equalization, you may report use tax on your income tax return. To report use tax on your income tax return, complete the Use Tax Worksheet below.

If you owe use tax but you do not report it on your income tax return, you must report and pay the tax to the State Board of Equalization. For information on reporting use tax directly to the State Board of Equalization, go to their website at boe.ca.gov.

Failure to timely report and pay the use tax due may result in the assessment of penalties.

Use Tax Worksheet

Round all amounts to the nearest whole dollar.

1. Enter purchases from out-of-state or Internet sellers made without payment of California sales/use tax. See worksheet instructions below \$00
2. Enter the decimal equivalent of the applicable sales and use tax rate. See worksheet instructions below 00
3. Multiply line 1 by the tax rate on line 2. Enter result here \$00
4. Enter any sales or use tax paid to another state for purchases included on line 1. See worksheet instructions below. \$00
5. Total Use Tax Due. Subtract line 4 from line 3. Enter the amount here and on line 25. If the amount is less than zero, enter -0-. \$00

Worksheet, Line 1, Purchases Subject to Use Tax

- Report items that would have been taxable in a California store. For example, you would include purchases of clothing, but not purchases of prescription medicine.
- Include handling charges.
- Do not include any other state's sales or use tax paid on the purchases.
- Enter only purchases made during the year that corresponds with the tax return you are filing.
- If you traveled to a foreign country and brought items back to California, generally the use tax is due on the purchase price of the goods you listed on your U.S. Customs Declaration, less the \$800 per-person exemption. This \$800 exemption does not apply to goods sent or shipped to California by mail or other common carrier.
- If your filing status is "married/RDP filing separately," you may elect to report one-half of the use tax due or the entire amount on your income tax return. If you elect to report one-half, your spouse/RDP must report the remaining half on his or her income tax return or on the individual use tax return available from the State Board of Equalization.

Note: Report and pay any use tax you owe on the following purchases to the State Board of Equalization, not on your income tax return:

- Vehicles, vessels, and trailers that must be registered with the California Department of Motor Vehicles.
- Mobile homes or commercial coaches that must be registered annually as required by the Health and Safety Code.
- Vessels documented with the U.S. Coast Guard.
- Aircraft.
- Leases of machinery, equipment, vehicles, and other tangible personal property.

Worksheet, Line 2, Sales and Use Tax Rate

- Enter the decimal equivalent of the sales and use tax rate applicable to the place in California where the property is used, stored, or otherwise consumed. For example, the decimal equivalent of 8.25% is 0.0825, and the decimal equivalent of 8.375% is 0.08375.
- If you do not know the applicable rate, see the table on page 8, "Sales and Use Tax Rates by County." If you have questions regarding the use tax rate in effect in your area, go to the State Board of Equalization's website at boe.ca.gov or call their Taxpayer Information Section at 800.400.7115 or TTY/TDD 800.735.2929.

Worksheet, Line 4, Credit for Tax Paid to Another State

- This is a credit for tax paid to other states. You cannot claim a credit greater than the amount of tax that would have been due if the purchase had been made in California. For example, if you paid \$8.00 sales tax to another state for a purchase, and would have paid \$6.00 in California, you can claim a credit of only \$6.00 for that purchase.

Sales and Use Tax Rates by County

(includes state, local, and district taxes)

As of December 31, 2009

Note: All tax rates listed include the 1 percent statewide sales and use tax increase effective April 1, 2009. Tax rates were 1 percent less prior to April 1, 2009 unless otherwise noted. (For example, the tax rate in San Francisco effective April 1, 2009 is 9.50%. The tax rate prior to April 1, 2009 was 8.50%).

County	Rate	County	Rate
Alameda	9.75%	Orange ¹	8.75%
Alpine	8.25%	Placer	8.25%
Amador ²	8.75%	Plumas	8.25%
Butte	8.25%	Riverside	8.75%
Calaveras	8.25%	Sacramento ¹	8.75%
Colusa ¹	8.25%	San Benito ¹	8.25%
Contra Costa ¹	9.25%	San Bernardino ¹	8.75%
Del Norte	8.25%	San Diego ¹	8.75%
El Dorado ¹	8.25%	San Francisco	9.50%
Fresno ¹	8.975%	San Joaquin ¹	8.25%
Glenn	8.25%	San Luis Obispo ¹	8.25%
Humboldt ¹	8.25%	San Mateo	9.25%
Imperial	8.75%	Santa Barbara	8.75%
Inyo	8.75%	Santa Clara ¹	9.25%
Kern ¹	8.25%	Santa Cruz ¹	9.00%
Kings	8.25%	Shasta	8.25%
Lake ¹	8.25%	Sierra	8.25%
Lassen	8.25%	Siskiyou	8.25%
Los Angeles ^{1,3}	9.75%	Solano	8.375%
Madera	8.75%	Sonoma ^{1,4}	9.00%
Marin ^{1,4}	9.00%	Stanislaus ¹	8.375%
Mariposa	8.75%	Sutter	8.25%
Mendocino ¹	8.25%	Tehama	8.25%
Merced ¹	8.25%	Trinity	8.25%
Modoc	8.25%	Tulare ¹	8.75%
Mono ¹	8.25%	Tuolumne ¹	8.25%
Monterey ¹	8.25%	Ventura ¹	8.25%
Napa	8.75%	Yolo ¹	8.25%
Nevada ¹	8.375%	Yuba	8.25%

1. Many cities in California impose a district tax which results in a higher sales and use tax rate than in other parts of the county. If you are reporting an item that was purchased for use in one of these counties, please check the following city list to see if a higher rate applies to your city. The tax rates shown apply within the city limits of the listed community.
2. The tax rate in the county of Amador prior to April 1, 2009 was 7.25%.
3. The tax rate in the county of Los Angeles prior to April 1, 2009 was 8.25%. The tax rate in the county of Los Angeles between April 1, 2009 and June 30, 2009 was 9.25%.
4. The tax rate in the counties of Marin and Sonoma prior to April 1, 2009 was 7.75%.

County	City	Citywide Rate
Colusa	Williams	8.75%
Contra Costa	El Cerrito	9.75%
Contra Costa	Pinole	9.75%
Contra Costa	Richmond	9.75%
El Dorado	Placerville	8.50%
El Dorado	So. Lake Tahoe	8.75%
Fresno	Reedley	9.475%
Fresno	Sanger	9.725%
Fresno	Selma	9.475%
Humboldt	Arcata (effective 4/1/09) ¹	9.00%
Humboldt	Eureka (effective 4/1/09) ²	8.50%
Humboldt	Trinidad (effective 4/1/09) ³	9.00%
Kern	Arvin (effective 4/1/09) ⁴	9.25%
Kern	Delano	9.25%
Lake	Clearlake	8.75%
Lake	Lakeport	8.75%
Los Angeles	Avalon	10.25%
Los Angeles	El Monte (effective 7/1/09) ⁵	10.25%
Los Angeles	Inglewood	10.25%
Los Angeles	Pico Rivera (effective 7/1/09) ⁶	10.75%
Los Angeles	South Gate	10.75%
Marin	San Rafael	9.50%

County	City	Citywide Rate
Mendocino	Fort Bragg	8.75%
Mendocino	Point Arena	8.75%
Mendocino	Ukiah	8.75%
Mendocino	Willits	8.75%
Merced	Los Banos	8.75%
Merced	Merced	8.75%
Mono	Mammoth Lakes	8.75%
Monterey	Del Rey Oaks	9.25%
Monterey	Pacific Grove	9.25%
Monterey	Salinas	8.75%
Monterey	Sand City	8.75%
Monterey	Seaside	9.25%
Nevada	Nevada City	8.875%
Nevada	Truckee	8.875%
Orange	La Habra (effective 4/1/09) ⁷	9.25%
Orange	Laguna Beach (effective 7/1/09) ¹⁵	8.75%
Sacramento	Galt (effective 4/1/09) ⁸	9.25%
San Benito	Hollister	9.25%
San Benito	San Juan Bautista	9.00%
San Bernardino	Montclair	9.00%
San Bernardino	San Bernardino	9.00%
San Diego	El Cajon (effective 4/1/09) ⁹	9.75%
San Diego	La Mesa (effective 4/1/09) ¹⁰	9.50%
San Diego	National City	9.75%
San Diego	Vista	9.25%
San Joaquin	Manteca	9.25%
San Joaquin	Stockton	9.00%
San Luis Obispo	Arroyo Grande	8.75%
San Luis Obispo	Grover Beach	8.75%
San Luis Obispo	Morro Bay	8.75%
San Luis Obispo	Pismo Beach	8.75%
San Luis Obispo	San Luis Obispo	8.75%
Santa Clara	Campbell (effective 4/1/09) ¹¹	9.50%
Santa Cruz	Capitola	9.25%
Santa Cruz	Santa Cruz	9.50%
Santa Cruz	Scotts Valley (effective 4/1/09) ¹²	9.25%
Santa Cruz	Watsonville	9.25%
Sonoma	Santa Rosa	9.25%
Sonoma	Sebastopol	9.25%
Stanislaus	Ceres	8.875%
Tulare	Dinuba	9.50%
Tulare	Farmersville	9.25%
Tulare	Porterville	9.25%
Tulare	Tulare	9.25%
Tulare	Visalia	9.00%
Tuolumne	Sonora	8.75%
Ventura	Oxnard (effective 4/1/09) ¹³	8.75%
Ventura	Port Hueneme (effective 4/1/09) ¹⁴	8.75%
Yolo	Davis	8.75%
Yolo	West Sacramento	8.75%
Yolo	Woodland	8.75%

- The tax rate in Arcata prior to April 1, 2009 was 7.25%
- The tax rate in Eureka prior to April 1, 2009 was 7.25%
- The tax rate in Trinidad prior to April 1, 2009 was 7.25%
- The tax rate in Arvin prior to April 1, 2009 was 7.25%
- The tax rate in El Monte prior to April 1, 2009 was 8.25%
The tax rate in El Monte between April 1, 2009 and June 30, 2009 was 9.75%
- The tax rate in Pico Rivera prior to April 1, 2009 was 8.25%
The tax rate in Pico Rivera between April 1, 2009 and June 30, 2009 was 10.25%
- The tax rate in La Habra prior to April 1, 2009 was 7.75%
- The tax rate in Galt prior to April 1, 2009 was 7.75%
- The tax rate in El Cajon prior to April 1, 2009 was 8.25%
- The tax rate in La Mesa prior to April 1, 2009 was 7.75%
- The tax rate in Campbell prior to April 1, 2009 was 8.25%
- The tax rate in Scotts Valley prior to April 1, 2009 was 8.50%
- The tax rate in Oxnard prior to April 1, 2009 was 7.25%
- The tax rate in Port Hueneme prior to April 1, 2009 was 7.25%
- The tax rate in Laguna Beach prior to April 1, 2009 was 8.25%
The tax rate in Laguna Beach between April 1, 2009 and June 30, 2009 was 9.25%

Line 26 – Voluntary Contributions

You may contribute part or all of your refund to the funds listed on Form 540 2EZ, Side 2. See page 11 for descriptions of the funds.

Line 27 – Amount You Owe

Add line 24, line 25, and line 26 and enter the total on line 27. This is the amount you owe. If line 23 is less than the sum of line 25 and line 26, enter the difference on line 27.

Paying Your Taxes

You must pay 100% of the amount you owe by April 15, 2010, to avoid interest and underpayment penalties. However, the underpayment penalty will be waived if 90% of the tax shown on the return is paid by the original due date of the return. There are several ways to pay your tax:

- Electronic funds withdrawal (e-file only)
- Pay online/Web Pay
- Credit card
- Check or money order
- Monthly installments

Electronic Funds Withdrawal

If you CalFile or e-file, instead of paying by check, you can use this convenient option. Simply provide your bank information, the amount you want to pay, and the date you want the amount to be withdrawn from your account. You can find the routing and account numbers on your check or bank statement, or by contacting your financial institution. Use the check illustration on the next page to find your bank information. Your tax preparation software will offer this option.

Web Pay

Enjoy the convenience of online payment with the FTB. This secure service lets you pay the current amount you owe, extension payments, estimated tax payments, and prior year balances. Go to ftb.ca.gov and search for **web pay**. Log on using your social security number or individual taxpayer identification number.

Credit Card



Use your Discover/NOVUS, MasterCard, American Express, or Visa card to pay your personal income taxes (including tax return balance due, extension payments, estimated tax payments, and prior year balances). The FTB has partnered with Official Payments Corp. to offer you this service. Official Payments Corp. charges a convenience fee based on the amount of your payment.

Go to the Official Payments Corp. online payment center at officialpayments.com or call 800.2PAY-TAX or 800.272.9829 and follow the recorded instructions. Official Payments Corp. provides customer assistance Monday through Friday, 9 a.m. to 5 p.m. PST.

Payment Date : _____

Confirmation Number: _____

Check or Money Order (no cash please)

Using blue or black ink, make your check or money order payable to the "Franchise Tax Board." **Do not send cash.** Write your social security number or individual taxpayer identification number and "2009 Form 540 2EZ" on the check or money order.

A penalty may be imposed if your payment is returned by your bank for insufficient funds.

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

Enclose but **do not** staple your check or money order to the return.

e-file: The software will print a payment voucher (form FTB 3582) for you. Mail your check or money order and the voucher to the address shown on the voucher. **Do not** mail a copy of your tax return or your federal Form(s) W-2.

Request Monthly Installments

Pay as much as you can when you file your return. If you cannot pay your taxes in full, you can request approval to make monthly payments. However, you will be charged interest and penalties. You will need to complete form FTB 3567, Installment Agreement Request.

Instructions for Form 540 2EZ

CalFile – California's free, fast, easy, and secure e-file option.

To submit your request electronically, go to ftb.ca.gov and search for **installment agreement**. To submit your request by mail, go to ftb.ca.gov to download and print form FTB 3567 or call 800.338.0505 to order the form by phone. Select Personal Income Tax, then select Forms and Publications, and enter code **949** when instructed. Mail the completed form to the FTB at the address shown on the form.

Line 28 – Refund or No Amount Due

Complete the following worksheet:

- A. Amount on line 25.....
- B. Amount on line 26.....
- C. Add line A and line B.....
- D. Amount on line 23.....
- E. Subtract line C from line D.....

The amount on line E will be refunded to you. Transfer this amount to Form 540 2EZ, line 28. If the refund is less than \$1.00, attach a written request to your Form 540 2EZ to receive the refund.

If the amount on line C is greater than the amount on line D, the amount on line E is the amount you owe. Transfer this amount to Form 540 2EZ, line 27.

Direct Deposit

Direct deposit is fast, safe, and convenient. To have your refund directly deposited into your bank account, fill in the account information on Form 540 2EZ, Side 2, line 29 and line 30. Fill in the routing and account numbers and indicate the account type. Verify routing and account numbers with your financial institution.

Do not attach a voided check or deposit slip. See the illustration on this page.

Individual taxpayers may request that his or her refund be electronically deposited into more than one checking or savings account. This allows more options for managing your refund. For example, you can request part of your refund go to your checking account to use now and the rest to your savings account to save for later.

The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. On the sample check, the routing number is 250250025. The account number can be up to 17 characters and can include numbers and letters. Include hyphens, but omit spaces and special symbols. On the sample check, the account number is 202020.

Check the appropriate box for the type of account. Do not check more than one box for each line.

Enter the portion of your refund you want directly deposited into each account. The total of line 29 and line 30 must equal the total amount of your refund. If line 29 and line 30 do not equal line 28, the FTB will issue a paper check.

Caution: Check with your financial institution to make sure your deposit will be accepted and to get the correct routing and account numbers. The FTB is not responsible for a lost refund due to incorrect account information entered by you or your representative.

John Doe
Mary Doe
1234 Main Street

1234

20

PAY TO THE ORDER OF \$

ANYTOWN BANK

For

Routing Number: 250250025

Account Number: 202020

Do not include the check number

1234

Some financial institutions will not allow a joint refund to be deposited to an individual account. If the direct deposit is rejected, the FTB will issue a paper check.

Sign Your Tax Return

Sign your tax return on Side 2. If you file a joint tax return, your spouse/RDP must also sign it.

If you file a joint return, both you and your spouse/RDP are generally responsible for tax and any interest or penalties due on the return. If one spouse/RDP does not pay the tax, the other spouse/RDP may have to. See Innocent Joint Filer Relief on page 13.

If you pay a person to prepare your tax return, that person must sign on Side 2 and include either their social security number, PTIN, or FEIN. A paid preparer must give you a copy of your tax return to keep for your records.

Third Party Designee

If you want to allow a friend, family member, or any other person you choose to discuss your 2009 tax return with the FTB, check the "Yes" box in the signature area of your return. Also print the designee's name and telephone number. If you want to allow the paid preparer who signed your return to discuss it with the FTB, enter "Preparer" in the space for the designee's name and print the preparer's phone number.

If you check the "Yes" box, you, and your spouse/RDP if filing a joint return, are authorizing the FTB to call the designee to answer any questions that may arise during the processing of your return. You are also authorizing the designee to:

- Give the FTB any information that is missing from your return.
- Call the FTB for information about the processing of your return or the status of your refund or payments.
- Receive copies of notices or transcripts related to your return, upon request.
- Respond to certain FTB notices about math errors, offsets, and return preparation.

You are not authorizing the designee to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the FTB. If you want to expand or change the designee's authorization, get form FTB 3520, Power of Attorney Declaration for the Franchise Tax Board.

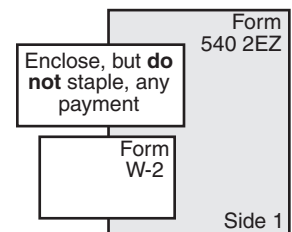
The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2010 tax return. This is April 15, 2011, for most people. To revoke the authorization before it ends, notify us by telephone at 800.852.5711 or in writing at Franchise Tax Board, PO Box 942840, Sacramento CA 94240-0040. Include your name, SSN (or ITIN), and the designee's name.

Assembling Your Tax Return

Assemble your tax return and mail it to the FTB.

To help with our processing costs, please enclose, but **do not staple**, your payment. Attach your federal Form(s) W-2 to your return.

Do not enclose a copy of your federal tax return or any other document with your Form 540 2EZ. This will help us reduce government processing and storage costs.



Mailing Your Return

Mail your return to the following address if your return shows a refund or no amount due:

**FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0002**

Mail your return to the following address if your return shows an amount due:

**FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0001**

Voluntary Contribution Fund Descriptions

Make voluntary contributions of \$1 or more in whole dollar amounts to the funds listed below. To contribute to the California Seniors Special Fund, use the instructions for code 400 below. The amount you contribute either reduces your overpaid tax or increases your tax due. You may contribute only to the funds listed and cannot change the amount you contribute after you file your return. For more information, go to ftb.ca.gov and search for **voluntary contributions**.

Code 400, California Seniors Special Fund – If you and/or your spouse/RDP are 65 years of age or older as of January 1, 2010, and claim the Senior Exemption Credit on line 7, you may make a combined total contribution of up to \$196 or \$98 per spouse/RDP. Contributions made to this fund will be distributed to the Area Agency on Aging Councils (TACC) to provide advice on and sponsorship of Senior Citizens issues. Any excess contributions not required by TACC will be distributed to senior citizen service organizations throughout California for meals, adult day care, and transportation.

Code 401, Alzheimer's Disease/Related Disorders Fund – Contributions will provide grants to California scientists who study Alzheimer's disease and related disorders. This research includes basic science, diagnosis, treatment, prevention, behavioral problems, and caregiving. With one-half million Californians living with the disease and another 2 million providing care to a loved one with Alzheimer's, our state is in the early stages of a major public health crisis. Your contribution will ensure that Alzheimer's disease receives the attention, research, and resources it deserves.

Code 402, California Fund for Senior Citizens (CSL) – Contributions will provide support to the California Senior Legislature (CSL). The CSL is made up of volunteers who develop statewide senior related legislative proposals in areas of health, housing, transportation, and community services to be presented to the State Legislature, for more information go to www.4cls.org.

Code 403, Rare and Endangered Species Preservation Program – Contributions will be used to help protect and conserve California's many threatened and endangered species and the wild lands that they need to survive, for the enjoyment and benefit of you and future generations of Californians.

Code 404, State Children's Trust Fund for the Prevention of Child Abuse – Contributions will be used to fund programs for the prevention, intervention, and treatment of child abuse and neglect.

Code 405, California Breast Cancer Research Fund – Contributions will fund research toward preventing and curing breast cancer. Breast cancer is the most common cancer to strike women in California. It kills 4,000 California women each year. Contributions also fund research on prevention and better treatment, and keep doctors up-to-date on research progress. For more about the research your contributions support, go to cbrp.org. Your contribution can help make breast cancer a disease of the past.

Code 406, California Firefighters' Memorial Fund – Contributions will be used for the repair and maintenance of the California Firefighters' Memorial on the grounds of the State Capitol, ceremonies to honor the memory of fallen firefighters and to assist surviving loved ones, and for an informational guide detailing survivor benefits to assist the spouses/RDPs and children of fallen firefighters.

Code 407, Emergency Food for Families Fund – Contributions will be used to help local food banks feed California's hungry. Your contribution will fund the purchase of much-needed food for delivery to food banks, pantries, and soup kitchens throughout the state. The State Department of Social Services will monitor its distribution to ensure the food is given to those most in need.

Code 408, California Peace Officer Memorial Foundation Fund – Contributions will be used to preserve the memory of California's fallen peace officers and assist the families they left behind. Since statehood, over 1,300 courageous California peace officers have made the ultimate sacrifice while protecting law-abiding citizens. The non-profit charitable organization, California Peace Officers' Memorial Foundation, has accepted the privilege and responsibility of maintaining a memorial for fallen officers on the State Capitol grounds. Each May, the Memorial Foundation conducts a dignified ceremony honoring fallen officers and their surviving families by offering moral support, crisis counseling, and financial support that includes academic scholarships for the children of those officers who have made the supreme sacrifice. On behalf of all of us and the law-abiding citizens of California, thank you for your participation.

Code 409, California Military Family Relief Fund – Contributions will be used to provide financial aid grants to members of the California National Guard who are California residents, and have been called to active duty.

Code 410, California Sea Otter Fund – The California Coastal Conservancy and the Department of Fish and Game will each be allocated 50% of the contributions. The California Coastal Conservancy will use the contributions for research and programs related to the near-shore ecosystem, including sea otters. The Department of Fish and Game will use the contributions to establish a sea otter fund within the department's index coding system for increased investigation, prevention, and enforcement action.

Code 411, California Ovarian Cancer Research Fund – Contributions will be used to conduct research relating to the cause, cure, and prevention of ovarian cancer.

Code 412, Municipal Shelter Spay-Neuter Fund – Contributions will be used to provide low cost or free spay-neuter services and for administrative costs.

Code 413, California Cancer Research Fund – Contributions will be used to conduct research relating to the causes, detection, and prevention of cancer and to expand community-based education on cancer, and to provide prevention and awareness activities for communities that are disproportionately at risk or afflicted by cancer.

Code 414, ALS/Lou Gehrig's Disease Research Fund – Contributions will be used to conduct research relating to the cause, cure, and prevention of ALS.

Nonrefundable Renter's Credit Qualification Record



e-file and skip this page! The software you use to e-file will help you find out if you qualify for this credit and will figure the correct amount of the credit automatically.

If you were a resident of California and paid rent on property in California, which was your principal residence, you may qualify for a credit that you can use to reduce your tax. Answer the questions below to see if you qualify. **Do Not Mail This Record. Keep With Your Tax Records.**

1. Were you a resident of California for the entire year in 2009?

Military personnel. If you are not a legal resident of California, you do not qualify for this credit. However, your spouse/RDP may claim this credit if he or she was a resident, did not live in military housing during 2009, and is otherwise qualified.

YES. Go to question 2.

NO. Stop. File the Long or Short Form 540NR, California Nonresident or Part-Year Resident Income Tax Return. See "Automated Phone Service" on page 14.

2. Is your California adjusted gross income, the amount on Form 540 2EZ, line 16:

- \$34,412 or less if single; or
- \$68,824 or less if married/RDP filing jointly, head of household, or qualifying widow(er)?

YES. Go to question 3.

NO. Stop here. You do not qualify for this credit.

3. Did you pay rent, for at least half of 2009, on property (including a mobile home that you owned on rented land) in California, which was your principal residence?

YES. Go to question 4.

NO. Stop here. You do not qualify for this credit.

4. Can you be claimed as a dependent by a parent, foster parent, legal guardian, or any other person in 2009?

NO. Go to question 6.

YES. Go to question 5.

5. For more than half the year in 2009, did you live in the home of the person who can claim you as a dependent?

NO. Go to question 6.

YES. Stop here. You do not qualify for this credit.

6. Was the property you rented exempt from property tax in 2009?

You do not qualify for this credit if, for more than half of the year, you rented property that was exempt from property taxes. Exempt property includes most government-owned buildings, church-owned parsonages, college dormitories, and military barracks. However, if you or your landlord paid possessory interest taxes for the property you rented, then you may claim this credit.

NO. Go to question 7.

YES. Stop here. You do not qualify for this credit.

7. Did you claim the homeowner's property tax exemption anytime during 2009?

You do not qualify for this credit if you or your spouse/RDP received a homeowner's property tax exemption at any time during the year. However, if you lived apart from your spouse/RDP for the entire year and your spouse/RDP received a homeowner's property tax exemption for a separate residence, then you may claim this credit if you are otherwise qualified.

NO. Go to question 8.

YES. If your filing status is single, stop here, you do not qualify for this credit. If your filing status is married/RDP filing jointly, go to question 9.

8. Were you single in 2009?

YES. Go to question 11.

NO. Go to question 9.

9. Did your spouse/RDP claim the homeowner's property tax exemption anytime during 2009?

You do not qualify for this credit if you or your spouse/RDP received a homeowner's property tax exemption at any time during the year. However, if you lived apart from your spouse/RDP for the entire year and your spouse/RDP received a homeowner's property tax exemption for a separate residence, then you may claim this credit if you are otherwise qualified.

NO. Go to question 11.

YES. If both you and your spouse/RDP claimed the homeowner's property tax exemption, stop here, you do not qualify for this credit. Otherwise, go to question 10.

10. Did you and your spouse/RDP maintain separate residences for the entire year in 2009?

YES. Go to question 11.

NO. Stop here. You do not qualify for this credit.

11. If you are:

- Single, enter \$60 on Form 540 2EZ, line 19.
- Head of household or qualifying widow(er), enter \$120 on Form 540 2EZ, line 19.
- Married/RDP filing jointly, enter \$120 on Form 540 2EZ, line 19. (Exception: If one spouse/RDP claimed the homeowner's tax exemption and you lived apart from your spouse/RDP for the entire year, enter \$60 on Form 540 2EZ, line 19.)

Fill in the street address(es) and landlord information below for the residence(s) you rented in California during 2009, which qualified you for this credit.

Street Address

City, State, and ZIP Code

Dates Rented in 2009 (From _____ to _____)

a _____
b _____

Enter the name, address, and telephone number of your landlord(s) or the person(s) to whom you paid rent for the residence(s) listed above.

Name

Street Address

City, State, ZIP Code, and Telephone Number

a _____
b _____